

# **Take Me to Your Leader!: Supporting CEOs – Hiring, Evaluating, and Compensating**

IEG Spring Seminar

May 20, 2003

8 a.m.

Ballroom IV

Rich Novak, facilitator

## **Case I**

Headwaters University, a mid-size public regional institution, is looking for a new president. The search is being handled by the governing board itself (the board includes one faculty representative and one student). The board posted the position four months ago, got a less than expected number of resumes, but was able to find six good candidates to invite to campus for a round of interviews. The candidates were notified two weeks ago.

Although not an original candidate, the vice president for academic affairs has just decided to explore the possibility of the presidency. He has been at Headwaters University for six years, all as vice president. The vice president has been very popular with the board (certainly seen as effective) and popular in the community. He has not been without controversy on the campus – sometimes a critic of the faculty generally, while openly supportive of several individual faculty members. He has always been seen as an aspirant for a college presidency somewhere.

A little over a week ago, the vice president met privately with the board chair (a personal friend) to express his interest in the presidency. The chair encouraged his candidacy – rumor has it the chair was very encouraging. In fact, a story was leaked to an education reporter at the local paper about the meeting and discussion, and ran the next day.

When other governing board members read of the chair/vice president meeting in the press and the supposed encouragement by the chair, some were angry, some pleased, and others silent and non-committed. Some see the vice president as the long-needed advocate the institution needs, especially in the state capital (the vice president has been effective in getting occasional institutional projects funded in the legislature and has served as the de facto director of state relations); others have voiced support for his tough stand (tougher, they feel, than the current president) on general education and willingness to recommend for closure certain programs that were under-enrolled. Some board members worry that the vice president's presidency would be divisive among the faculty. All board members have worked with him as part of the current president's cabinet.

Since the news item broke, board members have had a barrage of phone calls from the press and inquiries and comments from faculty and students weighing in on all sides of the debate, as well as from the local state legislator supportive of the vice president's candidacy. The faculty who have voiced an opinion appear split. During a press call, a member of the board then told the local paper's education reporter the names of the six candidates when the assertive reporter told him that state law required the disclosure of all finalists. These names were printed in the most recent story about the search that ran five days ago.

The six candidates are from out-of-state, and include sitting presidents or senior administrators. But the local story about the chair/vice president meeting, combined with the second story that identified them, has led four candidates to pull out of the search. The other two have not responded to a recent board request to schedule their campus interview.

The board is in a quandary on how to proceed with the search.

Questions for discussion:

1. How did the board get in this mess?
2. What could the board have done differently to avoid the embarrassing situation it may now find itself in?
3. Should the board pull the plug on the search and begin anew?